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INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 03 CARACAS 001680

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E.O. 12958: DECL: 08/20/2017
TAGS: [PREL](#) [PGOV](#) [PTER](#) [MARR](#) [ETRD](#) [VE](#)
SUBJECT: CHAVEZ REACHES OUT TO COLOMBIA; BUT BORDER SPAT
TAKES ITS TOLL

REF: A. BOGOTA 06186

[1](#)B. 2006 BOGOTA 11232

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Classified By: ACTING POLITICAL COUNSELOR
DANIEL LAWTON FOR REASON 1.4 (D)

[1](#)1. (C) Summary. Despite President Chavez's historically rocky relationship with Colombia, he has made an effort of late to reach out to the Uribe government, particularly through his offer to be a key mediator in the negotiations for a humanitarian exchange with the FARC. The importance of commercial ties between the two countries probably has been a key factor in preventing relations from deteriorating as much as they naturally could. Nevertheless, the Bolivarian Republic of Venezuela (BRV) is still willing to use a heavy hand when dealing with its neighbor, and recently enabled protesters to close the border between Tachira State and the Colombian city of Cucuta. Caracas' overtures, particularly concerning Colombia's struggle with terrorist groups, are almost certainly made for tactical political and public relations objectives rather than for securing a permanent warming of Bogota-Caracas ties. Chavez will point to any success resulting from the negotiations as "proof" that the "left" has triumphed where the "oligarchy" has failed and as evidence that he is a constructive and responsible regional player. End Summary.

Touting the Benefits of Stronger Ties...

[1](#)2. (C) Venezuela and Colombia's rollercoaster of a relationship has been on an upward trend this summer, at least publicly, with both President Hugo Chavez and Colombian President Alvaro Uribe apparently trying to keep relations on an even keel. Neither government allowed bilateral spats, such as the assassinations in May of two Colombian military intelligence officers in Venezuela, to explode into larger disputes. Chavez has peppered his public addresses with kind words for his Colombian counterpart, praising Uribe in early June for his "courage" and for Bogota's decision to "drop politics via the microphone."

...In Humanitarian Negotiations...

[1](#)3. (SBU) Chavez has offered his services in mediating a

humanitarian exchange of 45 Revolutionary Armed Forces of Colombia (FARC) hostages for incarcerated FARC members, and Uribe's recent appointment of Colombian opposition Senator Piedad Cordoba as mediator of humanitarian exchange negotiations has provided the Venezuelan President with entree (Ref A). Chavez announced on August 19 his intention to travel to meet with Uribe in Colombia August 31 and confirmed plans to assist in the hostage exchange negotiations, in part due to Uribe's appointment of a "Chavista" Colombian senator to oversee the talks. To jumpstart the talks, Chavez met at Miraflores on August 20 with fifteen family members of FARC hostages, and said he would communicate directly or possibly to meet with FARC leader Manuel Marulanda. As a purported goodwill gesture to advance the talks, Chavez offered to pardon some of the 27 Colombians still held after their arrest in 2004 in Venezuela for allegedly being part of a paramilitary plot to assassinate him. Cordoba said on August 22 that Chavez could meet with relatives of Colombian guerrillas as part of the negotiations, so as to pay attention to "both sides" of the talks.

¶4. (C) Colombian Embassy Political Counselor Gladys Paez pled ignorance and told Polcouns and Poloff August 21 that she had not yet received any word from Bogota on Chavez's involvement in the negotiations or on his upcoming trip. She also declined to offer any opinions on Venezuela's potential role in the talks other than to say, "we shall see." (Comment. We understand from Ref A there is more activity and communication regarding Chavez's role in the talks in Bogota. End Comment)

...In Trade...

¶5. (SBU) Venezuela's robust trade with Colombia, even as the BRV has withdrawn from trade agreements with its neighbor,

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continues to quickly expand as it has with all major suppliers, and probably has been a factor in keeping bilateral relations from deteriorating as much as they might otherwise. Colombia is Venezuela's second largest trade partner after the United States (Ref B). A Venezuelan delegation traveled in late July to Bogota seeking new investors. In what was clearly an attempt to allay investor qualms about the BRV's increasingly heavy hand in the Venezuelan economy, one member of the delegation assured potential investors that Chavez's 21st Century Socialism has "nothing to do with the Cuban model" and that "private initiative plays an important role, because if we were to nationalize everything we would kill off the country's entrepreneurial capacity." Additionally, despite Colombia and Peru's ongoing efforts to sign free trade agreements with Washington--Chavez's justification for leaving the Andean Community of Nations (CAN) last year--Chavez nevertheless continues to publicly hint at his willingness to rejoin the trade bloc, particularly if those two countries were to renounce their bilaterals with the United States.

...But Only on Caracas' Terms

¶6. (C) At the same time, the BRV is still willing to use a heavy hand when dealing with its neighbor. A recent bilateral disagreement over Colombia's decision to charge tolls at border crossings between Tachira State and the Colombian city of Cucuta highlights the BRV's affinity for sticks over carrots. Venezuelan and Colombian truck drivers jointly initiated a blockade starting July 2 of border crossings in Tachira to protest the recently implemented toll charges by the Colombian government to pay for road improvements in Cucuta. They eventually closed several international bridges that connect Tachira State to

Colombia's Norte de Santander Department. Losses to trade as a result of the protests and border closures--through which 70 to 80 percent of Venezuelan-Colombian trade is conducted--could reach as high as \$10 million a day. A municipal official of the city of San Cristobal in Tachira told Poloffs August 17 that the closures are wreaking havoc on the economy of Tachira.

17. (C) Venezuelan government officials, clearly aligned with the protesters, immediately demanded that Colombia withdraw the tolls. Venezuelan Superintendent of National Customs and Tax Administrations Service (SENIAT) Jose Vielma Mora claimed the installation of the toll plazas undermined existing trade agreements between the two countries and threatened to review taxes levied on Colombian coal and other imports. Foreign Minister Maduro urged Colombia on August 10 to eliminate the toll charges and asked that it behave in the same neighborly spirit as Venezuela. Colombian Embassy Polcouns Paez noted that negotiations between government officials and protesters from both sides of the border have so far not led to a settlement. As of August 22, protesters said they would suspend the demonstrations until Chavez and Uribe's upcoming meeting.

18. (C) Caracas also has not hesitated to use Colombia for its own domestic political purposes, such as slandering opposition governor of Zulia State Manuel Rosales, even at the risk of irritating Bogota. On August 12, former Vice President Jose Vicente Rangel announced during his weekly television program, "Jose Vicente Today," that Colombian paramilitary leader Vicente Castano was killed in an ambush by other paramilitary forces in Zulia State, accusing Zulia security services of sheltering him. In the same address, Rangel also accused Rosales of hosting a meeting between members of the CIA, DEA, Venezuelan opposition, and Zulia security services, and also charged the Government of Aruba with collaborating with radical opposition elements. Even as Bogota publicly expressed doubt about the veracity of the story, which Rangel called "suspicious," Venezuelan Interior Minister Carreno promised to share intelligence with Colombia to back up the ex-Vice President's claims. The BRV has yet to publicly reveal any compelling evidence of Castano's death, and the story has been largely overshadowed in press by Chavez's unveiling of the proposed constitutional reforms.

COMMENT

19. (C) While the BRV tries to insert itself as a

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"constructive" player in Colombian humanitarian negotiations and increasingly looks to Colombia as a key source of imports while its own production flags, its long-term commitment to improving bilateral ties is questionable. We believe that Chavez's overtures, particularly with respect to Colombia's struggle with terrorist groups, are made for tactical political gain and a public relations boost than any real commitment to bringing an end, alongside the Uribe government, to the Colombian armed conflict. Chavez's efforts to ingratiate himself with one of Washington's most stalwart regional allies, particularly as the future of the US-Colombia FTA looks uncertain, are almost certainly driven by a desire to rankle the United States and to demonstrate that Venezuela is a key--and constructive--regional leader. Chavez will point to any success resulting from the negotiations as evidence that the "left" has triumphed where the "oligarchy" has failed, and may hope that his actions will help to strengthen the Colombian left. While the BRV's public expressions of goodwill to Bogota may play well in the press, Chavez appears predisposed to also resort to heavy-handed tactics to bully its friends and neighbors when convenient, undermining real near-term prospects for a permanent and authentic warming in relations.

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